

Senate Study Bill 1163

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
AGRICULTURE BILL BY
CHAIRPERSON BEHN)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to assistance services provided to the department
2 of agriculture and land stewardship, including for the filing
3 of documents and the payment of fees and civil penalties, and
4 the authorization to assess additional charges.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
6 TLSB 3064SC 80
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1 1 Section 1. Section 12C.1, subsection 2, paragraph e, Code
1 2 2003, is amended to read as follows:
1 3 e. "Public funds" and "public deposits" mean ~~the~~ any of
1 4 the following:
1 5 (1) The moneys of the state or a political subdivision or
1 6 instrumentality of the state including a county, school
1 7 corporation, special district, drainage district,
1 8 unincorporated town or township, municipality, or municipal
1 9 corporation or any agency, board, or commission of the state
1 10 or a political subdivision. Moneys of the state include
1 11 moneys which are transmitted to a depository for purposes of
1 12 completing an electronic financial transaction pursuant to
1 13 section 159.43.
1 14 (2) The moneys of any court or public body noted in
1 15 subsection 1.
1 16 (3) The moneys of a legal or administrative entity created
1 17 pursuant to chapter 28E.
1 18 (4) The moneys of an electric power agency as defined in
1 19 section 28F.2 or 476A.20 and federal.
1 20 (5) Federal and state grant moneys of a quasi-public state
1 21 entity that are placed in a depository pursuant to this
1 22 chapter.

SUBCHAPTER III

ASSISTANCE SERVICES

1 25 Sec. 2. NEW SECTION. 159.40 DEFINITIONS.

1 26 As used in this subchapter, unless the context otherwise
1 27 requires:

1 28 1. "Depository" means a qualified person who executes a
1 29 contract with the department pursuant to section 159.41 to
1 30 provide assistance services as provided in this subchapter.
1 31 2. "Electronic funds transfer" means a remote electronic
1 32 transmission used for ordering, instructing, or authorizing a
1 33 financial institution to apply money to or credit the account
1 34 of the payee and debit the account of the payer. The remote
1 35 electronic transmission may be initiated by telephone,
2 1 computer, or similar device.
2 2 3. "Filing document" means any of the following:
2 3 a. An application for a license, permit, or certification,
2 4 required to be submitted to the department as provided in this
2 5 title.
2 6 b. A registration required to be submitted to the
2 7 department as provided in this title.
2 8 4. "Filing document fee" means a fee or other charge
2 9 established by statute or rule which is required to accompany
2 10 a filing document submitted to the department as provided in
2 11 this title.

2 12 Sec. 3. NEW SECTION. 159.41 ASSISTANCE SERVICES ==
2 13 AUTHORITY TO CONTRACT WITH DEPOSITARY.

2 14 Whenever practical, the department may execute a contract
2 15 with a person qualified to provide assistance services under
2 16 this subchapter, if the contract for the assistance services
2 17 is cost-effective and the quality of the services ensures
2 18 compliance with state and any applicable federal law. A
2 19 person executing a contract with the department for the
2 20 purpose of providing the assistance services shall be deemed

2 21 to be a depository of the state and an agent of the department
2 22 only for purposes expressly provided in this subchapter. The
2 23 department shall periodically review assistance services
2 24 performed by a person under the contract to ensure that
2 25 quality, cost-effective service is being provided.
2 26 Sec. 4. NEW SECTION. 159.42 ASSISTANCE SERVICES ==
2 27 FILING DOCUMENTS.
2 28 1. A contract executed under this subchapter may require
2 29 that a depository provide for the receipt, acceptance, and
2 30 storage of filing documents that are sent in an electronic
2 31 format to the depository by persons who would otherwise be
2 32 required to submit filing documents to the department under
2 33 other provisions of this title. The contract shall be
2 34 governed under the same provisions as provided in section
2 35 14B.202.
3 1 2. a. A depository must send filing documents that it
3 2 receives to the department for processing, including for the
3 3 approval or disapproval of an application or the
3 4 acknowledgement of a registration. The receipt of the filing
3 5 document by the depository shall be deemed receipt of the
3 6 filing document but not an approval of an application or
3 7 acknowledgement of a registration by the department.
3 8 b. A depository may send a person notice of the
3 9 department's approval or disapproval of an application or
3 10 acknowledgement of a registration. The department and not a
3 11 depository shall be considered the lawful custodian of the
3 12 department's filing documents which shall be public records as
3 13 provided in chapter 22.
3 14 3. A filing document that is transmitted electronically to
3 15 a depository or from a depository to another person is an
3 16 electronic record for purposes of chapter 554D. An
3 17 application or registration required to be signed must be
3 18 authenticated by an electronic signature as provided by the
3 19 department in conformance with chapter 554D.
3 20 Sec. 5. NEW SECTION. 159.43 ASSISTANCE SERVICES ==
3 21 COLLECTION OF MONEYS.
3 22 1. A contract executed under this subchapter may require
3 23 that a depository provide for the receipt, acceptance, and
3 24 transmission of moneys owed to the department by a person in
3 25 order to satisfy a liability arising from the operation of law
3 26 which is limited to filing document fees and civil penalties.
3 27 These moneys are public funds or public deposits as provided
3 28 in chapter 12. The depository shall transfer the moneys to
3 29 the department for deposit into the general fund of the state
3 30 unless the disposition of the moneys is specifically provided
3 31 for under other law.
3 32 2. A depository may commit its assets to lines of credit
3 33 pursuant to credit arrangements, including but not limited to
3 34 agreements with credit and debit cardholders and with other
3 35 credit or debit card issuers. The depository may accept forms
4 1 of payment including credit cards, debit cards, or electronic
4 2 funds transfer.
4 3 3. The moneys owed to the department shall not exceed the
4 4 amount required to satisfy the liability arising from the
4 5 operation of law. However, the contract executed under this
4 6 subchapter may provide for assistance service charges,
4 7 including service delivery fees, credit card fees, debit card
4 8 fees, and electronic funds transfer charges payable to the
4 9 depository or another party and not to the state. An
4 10 assistance service charge shall not exceed that permitted by
4 11 statute. The contract may also provide for the retention of
4 12 interest earned on moneys under the control of the depository.
4 13 These moneys are not considered public funds or public
4 14 deposits as provided in chapter 12.
4 15 4. The depository, as required by the department for
4 16 purposes of determining compliance, shall send information to
4 17 the department including payment information for an identified
4 18 filing document fee or the payment of a specific civil
4 19 penalty.
4 20 5. Each calendar year, the auditor of state shall conduct
4 21 an annual audit of the activities of the depository.
4 22 Sec. 6. NEW SECTION. 159.44 FILING DOCUMENTS AND PAYMENT
4 23 OF MONEYS TO DEPARTMENT.
4 24 Nothing in this subchapter shall prevent a person from
4 25 submitting a filing document or making a payment to the
4 26 department as otherwise provided in this title.
4 27 Sec. 7. DIRECTIONS TO CODE EDITOR.
4 28 1. The Code editor shall transfer section 159.31 to new
4 29 section 159.26.
4 30 2. The Code editor shall divide chapter 159 into
4 31 subchapters and eliminate captions which do not include

4 32 sections containing law text. The Code editor shall
4 33 consolidate or eliminate the repeal, reserve, and transfer
4 34 entries in chapter 159 of the 2003 Iowa Code in order to
4 35 enhance the readability of the chapter. As part of
5 1 consolidating or eliminating the entries, the Code editor
5 2 shall provide directions to the reader that explain where
5 3 historical information pertaining to the repeal, transfer, or
5 4 reserving of those entries may be obtained.

5 5 EXPLANATION

5 6 This bill amends Code chapter 159, which includes general
5 7 administrative and regulatory authority of the department of
5 8 agriculture and land stewardship. Generally, provisions
5 9 relating to the powers and duties of the department are
5 10 contained in Title V of the Code. Many Code chapters in this
5 11 title provide for regulation, including the application for
5 12 and the approval of licenses, permits, and certifications.
5 13 Some Code chapters contain registration requirements. Code
5 14 chapters of note include those regulating the care of animals
5 15 in commercial establishments; infectious and contagious
5 16 diseases among animals; the disposal of dead animals;
5 17 veterinary practice; the marking and branding of livestock;
5 18 slaughterhouse operations; meat and poultry inspection;
5 19 organic food production; dairy food production; the labeling
5 20 and sale of regulation of commercial feed, agricultural seeds,
5 21 fertilizers and soil conditioners, and agricultural lime; the
5 22 regulation of grain dealers and grain warehouse operators; the
5 23 regulation of pesticides and their use; and the inspection of
5 24 weights and measures including gas pumps.

5 25 The bill provides that the department may execute a
5 26 contract with a person qualified to provide assistance
5 27 services. The person is referred to as a depository. The
5 28 services are limited to the receipt, acceptance, and storage
5 29 of applications for licenses, permits, and certifications and
5 30 for registrations (referred to as filing documents).
5 31 According to the bill, the depository must send filing
5 32 documents that it receives to the department for processing,
5 33 including for the approval or disapproval of an application or
5 34 the acknowledgement of a registration.

5 35 The bill also provides that the department may execute a
6 1 contract with a depository to collect moneys owed to the
6 2 department by a person in order to satisfy a liability arising
6 3 from the operation of law which is limited to filing document
6 4 fees and civil penalties. The bill authorizes the depository
6 5 to commit its assets to lines of credit and may accept forms
6 6 of payment, including credit cards, debit cards, or electronic
6 7 funds transfer. Moneys collected by the depository must be
6 8 transmitted to the department for deposit into the general
6 9 fund of the state. The bill provides for audits of the system
6 10 by the auditor of state.

6 11 The bill provides directions to the Code editor necessary
6 12 to enhance the readability of the Code.

6 13 LSB 3064SC 80

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